

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF SOUTH CENTRAL BELL)	
TELEPHONE COMPANY FOR CONFIDENTIAL)	
TREATMENT OF INFORMATION FILED IN)	CASE NO.
SUPPORT OF ITS SPECIAL SERVICE)	92-410
ARRANGEMENT AGREEMENT WITH COMPUTER)	
SERVICES, INC.)	

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. d/b/a South Central Bell Telephone Company ("South Central Bell") filed September 22, 1992 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with a proposed contract with Computer Services, Inc. for analog to digital conversion associated with South Central Bell's FlexServ service and subrate multiplexing associated with South Central Bell's SynchroNet service on the grounds that disclosure of the information is likely to cause South Central Bell competitive injury, and it appearing to this Commission as follows:

South Central Bell has contracted with Computer Services, Inc. to provide analog to digital conversion associated with its FlexServ service and subrate multiplexing associated with its SynchroNet service. In support of its application for approval of the contract, South Central Bell has provided cost data which it seeks to protect as confidential.

The information sought to be protected is not known outside of South Central Bell and is not disseminated within South Central Bell except to those employees who have a legitimate business need to know and act upon the information. South Central Bell seeks to preserve and protect the confidentiality of the information through all appropriate means, including the maintenance of appropriate security at its offices.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That section of the statute exempts 11 categories of information. One category exempted in subparagraph (c) of that section is commercial information confidentially disclosed to the Commission. To qualify for that exemption, it must be established that disclosure of the information is likely to cause substantial competitive harm to the party from whom the information was obtained. To satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

South Central Bell's competitors for the services proposed to be offered to Computer Services, Inc. are providers who market multiplexers, data service units, and modems, and interexchange carriers who offer a service comparable to FlexServ in which analog to digital conversion is an inherent part of the service.


Disclosure of the information would allow competitors to determine South Central Bell's costs and contribution from the service which competitors could use to market their competing services to the detriment of South Central Bell. Therefore, disclosure of the information is likely to cause South Central Bell competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,


IT IS ORDERED that the cost support data developed by South Central Bell in connection with its proposed contract with Computer Services, Inc., which South Central Bell has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 28th day of October, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director